Sectt. II-37—50,006—27-10-41.

Public Works (1943) Department.

MS SERIES.

G.O. No. 257

Dated 17-2-1943

[Despatch Abstract.]

Electricity - Temporary Electric Licence - Accounts for [illegible] - Security, if required.

L.F.No. 1022 Office of the Examiner of Local Fund Accounts,
Fort St. George, M A D R A S.
Dated 21-5- 1942.

From

THE EXAMINER OF LOCAL FUND ACCOUNTS, M A D R A S.

To

THE SECRETARY TO GOVERNMENT.
Public Works (Electricity) DEPARTMENT. M A D R A S.

Sir,

~~With reference to Rule 58 (d) of Schedule IV of the Madras District Municipalities Act, 1920~~, I have the honour to forward herewith a duplicate copy of the final statement of audit of the Electric license ~~Fund~~ Accounts of the Bellary Municipal Council, (Bellary District) for the year ended the 31st March 1941. The original was forwarded to the Executive Authority in L.F.No. 117 dated the 2nd April 1942.

I have the honour to be,
Sir,
Your most obedient servant,

Deputy Examiner of Local Fund Accounts.

1875 98/1875

ASST. SECRETARY TO GOVT. 24 MAY 1942
UNDER SECRETARY TO GOVT. VII 26 MAY 1942 752 PUBLIC WORKS DEPARTMENT

P.W.D

Endt. no. 754 W1/42 dt 27-5-42.

Referred to the Chief Electrical Inspector for remarks.

Chief Electrical Inspector to Govt.

27/5

under Secy. to Govt.

27/5

Audit Report on the accounts of the BELLARY MUNICIPAL ELECTRIC LICENCE for the year 1940/41.

Name of Auditor: Sri. V. Srinivasan.
District Inspector of Local Fund Accounts.

Time taken for Audit: From the 28th February 1942 to the 2nd March, 1942.

1 SEP 1942
DISTRICT OF LF AC
21 SEP 1942
BELLARY

The office of Chairman was held by Janab D. Abdul Rawo Sahib Bahadur from the 1st April 1940 to the 31st March 194 The office of Commissioner was held by Sri. T. A. Narasared from 1st April 1940 to the 19th June 1940 and by Sri. K. Ve Katadri Chowdary from the 3rd July 1940 to the 31st March 1941. The Chairman was the executive authority from the 20 June 1940 to the 2nd July 1940.

2. The annual statements of accounts are appended.

3. The more important irregularities are detailed be low. Irregularities of a minor nature are detailed in the objection statement which should be treated as part of this report.

4. Forty-seven objections involving Rs.3,351-6-1 hav been pending settlement for over two years as detailed belo The objections should be settled expeditiously and the resu of the action taken reported along with the replies to the audit report.

Year.	Number.	Amount.
1933 - 1934	1	s. 1 14 0
1934 - 1935	3	360 . 1 0
1935 - 1936	2	0 8 9
1936 - 1938	8	454 13 0
1937 - 1938	5	384 6 0
1938 - 1939	4	875 11 10
1939 - 1940	4	,273 15 6
Total.	47	Rs. 3,351--6--1.

5. Pending objections of previous audit reports.

(a). Paragraph 8 of the audit report for 1939/40.

The interest on consumer's deposit was not worked out and shown as a liability and the omission was not explained. No interest was allowed on the consumer's deposits received during 1940/41 also. This calls for early attention.

....vVv....

(b). Paragraph 11 of the audit report for 1939/40.

From the details of the verified balances as recorded in the Tools and Plant Registers it was seen that out of a sum of Rs.2,153-13-1 being the value of tools and plant written off in 1932-33 to 1938/39, effect has been given in the accounts only for a sum of Rs.1,130/- Action was not taken to adjust the difference of Rs.1,023-13-1 also.

(c). Item 2 of the Annual Objection Statement - Page 19. 1939/40.

The tender of Messrs. Parry & Co., Ltd., for the supply of iron rails at Rs.18/- per rail was the lowest. But it was rejected and that of one Sri. Ramaswami at Rs.21/12/0 was accepted for the reason that the lowest tenderer stipulated the purchase of 25 numbers in one lot and that the rails offered by Parry & Co., Ltd., weighed 41½ lbs. per foot against 45 lbs. per foot supplied by Sri. Ramaswamy. The reasons advanced for the rejection of the lowest tender are not acceptable as actually 35 rails were purchased and as the tender notification called for quotations in respect of rails weighing 40 to 45 lbs. per foot. The excess payment of Rs.131/14/0 made on Vouchers 72 and 987 of August and October 1939 needs recovery.

Service connections - Estimates not sanctioned by Council.

The sanction of the Council was not obtained to the estimates for service connections granted during the year. The service connection works were not supported by records of measurements and certificates of checkmeasurements by the Engineer. It is not known how the Engineer satisfied himself about the execution

of the work according to the estimate in the absence of recorded measurements. Completion reports were also not forwarded to the Municipal Office in respect of the above works.

10 AUG 1942

7. Loss foregone as a result of rejection of lowest rates.

(a). In connection with the transport to Bellary of the engines purchased at Dindigul the following quantities of mango planks and beams were brought from one Chellappa Naicker and paid for on Vouchers 383(g)(h)(i)(l)(p) and (r) at rates in excess of those quoted by one Sheik Abdul Rowther which were the cheapest without recording any reasons for the rejection of the cheaper rates.

Materials purchased.	Chellappa Naicker's Rate.	Abdul Rowther's Rate.	Loss.
5615 sq.ft. of Mango planks 1¼" thick.	Rs.0 1 9 per sq. ft.	Rs.0 1 6 per sq. ft.	Rs.87 11 9
28 Nos. Beams. 16' x 6" x 4".	Rs. 2-4-0. each.	Rs. 2-2-0 each.	3 8 0
70 Nos. do- 6' x 3' x 3'.	Rs.1 2 0 each.	Rs. 0-10-0 each	35 0 0
			Rs.126--3--9

The loss of Rs.126-3-9 caused to the Electric Licence cheme as a result of the rejection of the lowest quotations ould need to be made good.

(b). Similarly the cheapest rate quoted for the transof the engine parts was Rs.5-8-0 per ton offered by one Rangaswami Naidu. But this quotation was rejected for the easons that he was a "roughfellow" and "no good hand" and hat of one Chellappa Naicker at Rs.6-8-0 per ton was ccepted. The total weight transported was 94 tons 15 cwts. nd the consequent loss thereon at Re.1/- per ton works out o Rs.94/12. The excess payment of Rs.94/12/0 made on Vr. 383(m) would need recovery as the reasons for the rejection of the lowest rates are not convincing.

8. Time-barred items.

The following amounts of Electricity dues have been allowed to become time-barred on the 31st March, 1941. For items not covered by suits or decrees the action taken to make good the amounts may be stated

(i)	1933 - 1934	Rs.48 12 0
(ii)	1934 - 1935	2 2 0
iii)	1935 - 1936	95 0 0
(iv)	1936 - 1937	145 1 8
(v)	1937 - 1938	72 3 0
		Rs.363--2--8.

9. Stores, Power-house - Loss by theft.

On the 18th September, 1940, the Commissioner reported that stores worth Rs.1,362/- were missing in the Power House.

Copper wire.	...	Rs.1,343 9 0
Solder.	...	18 7 0
		Rs.1,362--0--0

The matter was reported to the police who finally stated that the case was undetectable. The Commissioner in his proceedings R.Dis.No.6464/40 dated the 4th January 1942 ordered that the amount of Rs.500/- should be recovered from the storekeepers who held charge and that the question of recovery of the balance from the Electrical Engineer concerned might be referred to the Council. The recovery of the sum of Rs.500/- from the storekeepers and of the balance of Rs.862/- from the person or persons considered responsible by the Council are awaited.

10. Security deposits from consumers - Not obtained.

In several cases security deposits were not obtained from consumers of electric energy. It was explained that in these cases the service connections were granted by the Electric Supply Company before its licence was transferred to the

Municipality. All these cases would need to be re-examined and very early action taken to obtain the security deposits or disconnect the services. Loss caused to the Council, if any, as a result of omission to obtain security deposits is liable to be surcharged.

Hiring out of motor pumps, fans, etc. on terms of hire.

Pumping sets, fans, etc. were let out on hire to certain consumers and hire charges were levied monthly with reference to the conditions of hire settled at the electric standing committee's meeting held on the 30th March 1939. This resolution referred only to the hiring of motor pumps, and the resolution in support of the hiring of fans was not made available. An account of the number and kind of articles hired out, containing details of the names of persons to whom they have been hired out, the cost of the pumping sets, fans etc. hired out and the dates from which hired, was not maintained and made available for audit. According to clause (4) of the conditions relating to the hire, "the party would be responsible for the proper condition of the pump and materials so long as they remain in his premises." But no agreements were obtained from the parties with a view to safeguard the rights and interests of the Council in the machinery rented and to provide for the observance of the other conditions of hire.

12. Consumer's deposits - Not invested.

A sum of Rs.13,435/- being the cash security deposited by the consumers was diverted for meeting expenditure relating to the "General Account" without being invested. As interest at 6 per cent has to be paid to the consumers according to the booklet of conditions, the interest lost owing to failure to invest the deposit needs to be made good.

(ii). Interest due to each consumer would need to be worked out and the total unpaid liability on account of unpaid interest would need to be exhibited under "Sundry Creditors" in the Balance Sheet.

13. Construction operations - Erection of two engines - Deviations - Not sanctioned.

The deviations in the actual cost of execution from that provided in the estimates for Rs.41.825/- and for Rs.18.000/ relating to the purchase at Dindigul of 2 engines and their erection, under the following heads were not covered by proper sanction.

	Estimate provision.	Actuals.		
Dismantling engines at Dindigul	Rs. 500/-	Rs. 964	10	11
Packing materials	1,500/-	1,538	15	5
Removal from railway station to Power House at Bellary.	300/-	533	5	3
Erection of engines.	1,000/-	2,454	5	8
Spare parts.	2,500/-	2,917	14	9

The measurement books relating to the items of work so far paid were not made available for audit. The construction operation ledgers relating to the work were not written up completely. The page totals in the ledger were not abstracted and totalled to arrive at the total expenditure booked in the annual accounts. The ledger did not evidence any check at the hands of the Engineer.

14. Fuel and lubricating oils - increase of expenditure and other irregularities requiring investigation and explanation

(a). The expenditure on account of fuel and lubricating oils in 1940/41 was Rs.39,927/- against Rs.27,481/- in the previous year. The increase in expenditure was 45-3 per cent over the previous year's expenditure; whereas the increase in the energy generated was only 9.8 per cent. The heavy expenditure under this item - especially lubricating oil which has risen from Rs.6,428/- in 1939/40 to Rs.13,805/- in 1940/41 would need investigation as it cannot be entirely attributed to the increase in the costs of oils, which was only Re.0/8/11 per gallon in the case of lubricating oil and Rs.8/4/0 per ton in the case of fuel oil.

(b). Under date the 27th March 1941 the Electrical Engineer has recorded on page 203 of the Stores Ledger that an excess quantity of 750 gallons of diesel oil was found but has been taken to stock on the 20th March 1941. It was not recorded when the stock was verified and when the excess was discovered and now it happened to be shown as receipt under date the 20th March 1941. A similar excess quantity of 1965 gallons found on the 6th December 1940 was brought to account the same date.

(c). Though all receipt entries relating to oils were supported by the initials of the Engineer in the majority of cases, the omission to attest the following entries of receipt of oil was not explained.

Date of receipt.	Quantity.	Remark
th March 1941.	750 gallons	Excess found in stock on 27-3-41
th March 1941.	480 gallons	Bought of Sri. B. Choudary and paid on Vr.101/6-1941.

The Office copy of the order requiring Sri. B. Choudary to supply the 480 gallons noted above, quantities would also need to be obtained against the items.

(d). The quantity of oil supplied to the engines daily varied from 96 gallons on the 23rd April 1940 to 174 gallons on the 26th March 1941. The total issues during 1940/41 were 53,319 gallons against 40,610 gallons in 1939/40. Proper reasons would need to be assigned for such large variations in the daily issues and requirements of oil.

(e). The issue of lubricating oils varied from 4 to 12 gallons per day, except on the dates noted below:

4--8--1940	40 gallons.
8-11--1940	47 "
30-11--1940	44 "
21-12--1940	56 "
31-12--1940	32 "
18--1--1941	45 "
15--2--1941	44 "
29--3--1941	44 "

The special reasons for the issue of large quantities as noted above were not recorded.

(f). On the 19th September 1940, half a gallon of lubricating oil at a cost of Rs.1/13/0 was purchased and credited to Stock though there was a balance of 625½ gallons on that date. The necessity for the purchase of this quantity of half a gallon would need to be explained or the cost thereof recovered.

15. Stores on hand - Statement of certified balance - not obtained.

(a). The correctness of the value of stores on hand as noted in the Balance Sheet could not be verified in the absence of the statement from the Engineer showing the certified ledger balances under each kind of stores. The statement would need to be obtained from the Engineer and the figures therein reconciled with those shown in the Balance Sheet.

(b). Thirty eight empty drums costing Rs.958/14/0 are shown as consumable stores in the Stores Ledger. The drums would need to be transferred to the Register of Tools and Plant and removed from the consumable stores ledger.

16. Tenders - not invited.

In respect of the purchase of 2 coir cables for Rs.608/7/0 (Voucher 861) tenders were not invited. The omission was not explained.

Assets and Liabilities

No action was taken to investigate why items of assets and liabilities relating to the year 1929/30 onwards remained unrealised or unpaid, though the omission was pointed out in paragraph 13 of the audit report for 1939/40. Several items of assets consisted of amounts spent on Municipal Buildings pending adjustment to the credit of Electricity Account while some other items related to amounts due to be adjusted from deposits received on account of buildings.

All the items would need to be scrutinised and adjustments effected wherever necessary.

17(17)(ii). The net revenue account closed with a deficit of Rs.2,757/- and met from the cash balance which pertain to Capital Account. Sanction of Government for diversion of capital fund to revenue may be pointed out.

18. Registers not maintained or scrutinised.

The following registers and books were not maintained. :::

(i). Wages Analysis Book.

(ii). Journal.

(iii). Capital and Revenue Ledgers.

(iv). Appropriation Register for loans raised.

(b). The consumers' ledgers maintained did not evidence any check by the Commissioner.

19. Payee's receipts - not obtained.

Payee's receipts in respect of payments aggregating Rs. 1,965/4/0 as detailed in the Objection Statements for January 1941, July to September 1940, October to December 1940, October to December 1940 and the Annual Objection Statement were not produced for audit.

20. The general result of the audit was not satisfactory.

21. The gross receipts and charges of the year as seen from the transactions in the General Fund Account of the Municipality were Rs.77,886-0-4 and Rs.1,54,607-6-9 respectively.

22. One hundred and twenty six items of objections involving a sum of Rs.8,743-7-10 as detailed below were outstanding at the close of audit.

Year

Year	No. of objections.	Amount.
		Rs. A. P.
1933-39	33	1077 6 7
1939-40	14	273 15 6
1940-41	79	392 1 9
	126	1,743-7-10.

18. Registers not maintained or scrutinised.

(a). The following registers and books were not maintained.

(i). Wages Analysis Book.

(ii). Journal.

(iii). Capital and Revenue Ledgers.

(b). Appropriation Register for loans raised.

(c). Numbers' ledgers maintained did not evidence any check by the Commissioner.

19. Payee's receipts - not obtained.

Payee's receipts in respect of payments aggregating Rs. 1,965/4/0 as detailed in the objection statements for January 1941, July to September 1940, October to December 1940, October to December 1940 and the Annual objection statement were not produced for audit.

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22. One hundred and twenty six items of objections involving a sum of Rs.8,743-7-10 as detailed below were outstanding at the close of audit.

R. RAGHAVACHARIAR.
ASSISTANT EXAMINER OF LOCAL FUND ACCOUNTS.
NORTHERN CIRCLE, ::: MADRAS.

(True Copy).

SUPERINTENDENT
Office of the Examiner of Local Fund Accounts, Wheatcroft Rd, Cathedral P.O.
Madras.

Replies to Audit Report on the Accounts of the Bellary Municipal Electric License for the year 1940-41.

Para 3.

Replies to A.O.S. will be furnished separately.

Para 4.

Only 7 objections involving Rs.305-14-0 are pending clearance. Steps are being taken to clear these items also.

Para 5.(a).

The Government have introduced new forms and registers from this year onwards and the question of paying interest on consumer's deposit will be taken up from the current year 1942-43. The objection now raised may therefore be dropped.

Para 5 (b).

The balance of Rs.1,023-13-1 written off in the previous years will be given effect to in the accounts for 1941-42.

Para 5 (c). The Electrical Engineer's reply is furnished below: "The objection has been referred to the Ex-Electrical Engineer and reply will be communicated after its receipt".

Para 6.

The Electrical Engineer's reply is furnished.
"During all these previous years the expenditure for service connection works was incurred on the strength of the budget estimate and hence specific sanction of the Council was not obtained. In future specific sanction ~~of the Council~~ will be obtained. The service connection works were checked with reference to final bills prepared by the Line Inspectors. A copy of the final bills sent to the Accounts Branch is itself a completion report as no separate completion report is prescribed.

Para 7. (a) and (b).

please see page 3 for reply

Para 8.

1933-34. Out of Rs.48-12-0 a sum of Rs.14-12-0 has been recovered by adjustment from the Ex-Electrical Engineer Sri. S.B.Rao in Vr.No.485/41-42 and the balance of Rs.34/- has been written off in Council's resolution No.24 dated 20-11-40.

1934-35. Amount adjusted in July 1941 from the security deposit of Ex-Electrical Engineer in Vr.No.485 of 1941-42.

1935-36. Out of Rs.95/- a sum of Rs.21-8-0 has been adjusted from the Ex-Electrical Engineer's security deposit in Vr.No. 485/41-42 and the balance of Rs.73-8-0 is covered by suits. The decrees are under execution - Vide E.P.No.446/42.

1936-37. Out of Rs.145-1-8 a sum of Rs.9-8-0 has been written off in C.R.No.352 dated 10-12-41. A sum of Rs.53-0-8 has also been recovered on 12-11-41. As regards the balance all are covered by suits and the decrees are under execution. - Vide suit Nos. 818/38, 822/38, 870/38, 25/39 and 97/39.

1937-38. Out of Rs.72-3-0 a sum of Rs.9-15-0 has been recovered on 12th and 21st November 1941. The balance is covered by suits and decrees are all under execution - Vide S.C.25/39, 870/38 826/38 and 800/38

Para 9.

Out of Rs.450/- ordered to be recovered from the Store Keepers Rs.300/- has been adjusted from the provident fund amount of store keeper G.Ramaswamy and the balance of Rs.150/- due from S.Sethurao acting store keeper, is being recovered in instalments of Rs.7-8-0 per month and watched through miscellaneous demand register. As regards the balance of Rs.862/- the Council has resolve to take action against the electrical Engineer.

Electrical Engineer then in charge and the subject is under correspondence with the Chief Engineer for Electricity.

Para 10.

Action is being taken to obtain necessary security deposits wherever necessary.

Para 11.

Electrical Engineer's reply is enclosed.

"Regarding hire of plant the concerned parties have agreed to the conditions of hire which is prescribed by the Electric Standing Committee. This is considered to be sufficient safeguard for these machineries. The machineries have been hired out only to our consumers the particulars of which are entered in the respective field books to facilitate inclusion of rent in the monthly energy bills. A separate register will also be maintained and shown".

Para 12.

As the Government have renewed in G.O.No.Ms.2879 dated 23. that the Municipal Council may utilise the consumers deposit and pay the interest at 3% the amount was not invested in any of the interest bearing securities. When the question of payir interest to consumers is taken up in this year necessary book adjustment ~~xxxxx~~ for the interest due on the security deposit utilised will be made, with the sanction of the Council.

Para 13. Electrical Engineer's reply is furnished below.

"Necessary sanction ~~xx~~ for the deviation will be obtained as soon as the work is completed.

The work was executed departmentally. The receipt of materials have been noted in the stock ledger. Amount paid to labour is shown in the Muster rolls. Hence the work is accounted for both by stock ledger and muster rolls. Construction and operation ledger is written up and totals have since been struck. It has since been verified by the Electrica Engineer.

Para 14. (a) to (f). Electrical Engineer's reply is furnished.

" (a) The consumption of oil and the cost depend upon the tota number of engine hours, percentage of load on each engine, con dition of engine etc. During 1939-40 the number of engine hour was 11,169 and during 1940-41 it was 13,469. The engines had served their normal life and were deteriorating badly resultir in increased consumption of lubricating oil and crude oil. The defect could be remedied only by major repairs to the engines or replacement by new ones. The replacement of old engines by new ones was under progress during 1940-41 and it is now found tha after the completion of the scheme, the consumption of fuel oil and lubricating oil is reduced considerably.

(b) The excess of ~~xxx~~ 750 gallons was actually found on 20-3-41, but this is certified by the Electrical Engineer on 27-3-41.

(c) Before the bills are passed for payment and sent to the Commissioner, the Engineer verifies the stock entry and th same is certified in the bills. The receipts in the stock ledg are initialled by the Engineer in majority of cases ~~and check~~ not in all cases.

Office copy of the order Sri.B.Chowdary was produced to t Inspector in the recent audit and the objection dropped.

(d) Reasons given for item 14(a) apply to this also.

(e) On the date shown the old oil from the crank chambers of the various engines was removed and replaced by fresh oil. Hence the issues of larger quantity on the particular dates.

(f) The lubricating oil stock was of a heavy grade and suitable for only oil engines. The oil purchased was of a thir grade and was required for the use of higher ~~power~~ motors. Her this oil had to be purchased.

Para 15 a and b.
Electriaal Engineer's reply furnished below:-

"Statement of ledger balance will be furnished. (b) The drums account has since been transferred to Tools and Plants register from the Consumable stock ledger."

Para 16.
Electrical Engineer's reply furnished below:-
"The two core cable was urgently required for giving service connection and supply to Alipuram Jail.Hence it was purchased from the Company ~~xxx~~ from whom it was available consistent with quality.

Para 17.
Amounts spent on municipal buildings will be adjusted ~~in~~ on the accounts for 1941-42. Steps are also being taken to adjust the outstanding assets from the Consumer's deposits.

(ii) Sanction of the Government will be obtained and shown.

Para 18.
Electrical Engineer's reply is furnished below:-
" (a) Capital and Revenue Ledgers have been maintained. Wages and analysis book and journal will be maintained as soon as the new forms prescribed in G.O. are received.
(b) The ledgers have ~~xx~~ since been checked by the Commissioner

Para 19.
Payee's receipts have all been shown during the local audit and there are no objections pending.

Para 22.
Out of 126 objections only 56 are now pending and action is being taken to reduce the number as early as possible.

*** Para 7.
Reply of the Electrical Engineer is furnished below:-

"(a) No wood has been purchased from Mr.Chelliappa Naicker, but wood has been purchased from Sri.S.M.V.Nadar and certified as good variety in the tabular statement prepared at Dindigal.
(b) Reasons given by the then Electrical Engineer for giving the contract to Chellappa Naicker is as follows:-
"From enquiries I find that this man is the only one here competent to handle machine parts and is engaged by the Government Pykara People always as their transport Agent. The Govennment Supervisor and Dindigal Engineer strongly recommended his engagement. Hence I gave this tender to this man, since I learn that the others are merely brokers for mere heavy materials and hardware and not for machinery handling".

A.Raghava Reddy,
Commissioner.

/ By order/

Manager.

skr/.28.6.a.Exd:-16/9/6

16

[illegible] [illegible] [illegible]:-

[illegible]

[illegible]

[illegible]

Proc[illegible]ings of the [illegible]unicipal Council, Bellary,
[illegible]ssed at [illegible] ordinary [illegible]eeting held on [illegible]ednesday the 22
July 1942 5-30 P.M., at the Municipal Office, Bellary

[illegible]ize. Read Audit Rmd Report on the Electric License Accounts for 1940-41 and replies thereon.

Resolution:- A P P R O V E D.

D.Abdul Rawoof,
Chairman M.C.,

/ True copy /

BELLARY ELECTRIC LICENSE.

THE MUNICIPAL COUNCIL, BELLARY.

For the year ending 31st M a r c h 1941

STATEMENT as to loans authorised for the purposes of the undertaking referred to in the above mentioned License prior to the end of the year for which accounts are made up.

Amount sanction and nature of loan.	Amount borrowed.			Amount repaid.		
	7%	4½%	Total.	7%	4½%	Total.
Rs.1,82,000/- - 7% Bellary Municipal Debentures.	1,82,000.	---	1,82,000.	1,30,900.	---	1,30,900.
" 89,000/- 95,000/- Government loan consolidated into one loan as per G.O.No. 68, Finance dated 2-2-1934.	--	89,000. 95,000.	89,000. 95,000.	---	60,065.	60,065.
" 1,25,000/-	--	1,25,000. — 30,000.	95,000.		4,643.	4,643.
	1,82,000.	2,79,000.	4,61,000.	1,30,900.	64,708.	1,95,608.

V Srinivasan.
Dy Director.

Commissioner.

skr/-

No.II. CAPITAL ACCOUNT - For the year ending 31--3--1941.

Dr.

	Expenditure upto the end of previous year.	Expenditure during the year.	Total expenditure.		Receipts upto the end of previous year	Receipts during the year	Total receipts
To Preliminary expenditure to be specified.	116.	—116.		By amount raised by loan.	4,91,000.	(— 30,000.	4,61,000.
" buildings.	32,006.	1,545.	33,551.	" value of lands belonging to authority appropriated for electric purposes.	--	--	--
" Plant.	1,82,225.	11,019.	1,93,244.				
" M a i n s.	1,17,750.	1,594.	1,19,344.				
" service connection.	15,172.	2,011.	17,183.	By other receipts.	9,092.	---	9,092.
" Transformers.	4,660.	--	4,660	" amounts transferred, from ordinary receipts.	23,061.	---	23,061.
" M e t e r s.	25,535.	1,322.	26,855.				
" General stores.	18,399.	—16,371.	2,028.				
" (a) Special items to be specified.	2,683.	(x) 10,313.	12,996.				
(b) Public lamps.	21,323.	1,860.	23,183.				
(c) Furniture.	2,066.	--	2,066.				
(d) Tools & Plant.	1,927.	32.	1,959.				
Total.	4,23,860.	15,209.	4,37,069.		5,23,153.	—30,000.	4,93,153.
Closing Balance.	99,293.	56,084.	56,084.				
Grant Total.	5,23,153.	69,293.	4,93,153.		5,23,153.	—30,000.	4,93,153.

skr/-

(x) For details please see annexure.

N Srinivasan
Dy Dispr

Commissioner. pellegate

(a)	Temporary Draftsman Pay.	...	Rs.30/-
(b)	T.A. to Engineer & Elector.	...	" 559/-
(c)	Workshop manufacture	...	" 44/-
(d)	Erector's pay.	...	"1,073/-
(e)	Packing etc. at Dindigal.	...	"2,511/-
(f)	Freight charges paid by Credit notes.	...	2,075/-
(g)	Erection and other miscealanous charges.		4,021/-
		Total. Rs.	10,313.

III. REVENUE ACCOUNT.

Dr. For the year ending 31st March 1 9 4 1.

To Fuel.	Rs.	22,710.	By balance from last account.	→	368.
" oil etc.		13,805.	" sale of energy for lighting purposes.		52,349.
" proportion of salaries of Engineers.		1,459.	" -do- -do- for power -do-		23,137.
" wages and gratuities.		7,055.	-do- -do- under special contract.		64.
" Repairs and Maintenance.			" -do- -do- by public lighting.		27,525.
(a) building.		29.	" rental of meters and other apparatus on consumer's premises.		3,113.
(b) Plant.		470.	" Rents recoverable.		13.
" Special item charges to be specified other items (to be specified.)		6.	" service connection.		5,943.
B. DISTRIBUTION.			" Miscellaneous receipts from consumers.		549.
" proportion of salaries of Engineers.		1,459.	" Other items (to be specified)		508.
" wages, and Gratuities.		6,842.			1,12,833.
" Repairs - maintenance of mains.		919.			
" Repairs - Transformers.		85.			
" -do- Meters, switches etc.		277.			
C.PUBLIC LAMPS.					
" Attenders and repairs.		536. 48			
" Renewals.		1,883.			
D.Rents,Rates and Taxes.					
Rents payable.		---			
Rates and taxes.		---			
E.MANAGEMENT.					
" Salaries.					
(1) Engineers.		1,954.			
(2) Clerical department		3,854.			
" General Establishment charges.		600.			
F. Law Charges.					
" Law expenses.		77.			
G.SPECIAL CHARGES.					
To Special items (to be specified)		10,460.⊗			
" service connection.		5,181.			
" Preliminary expenses written off.		116			
" Total expenditure.		79,855.			
" Amount carried to net revenue account		33,100.			
Balance carried to net account to provide for bad debts.					
Total.		1,12,833.			1,12,833.

Fuse. 223-12-0.
Agreement 41--0-0.
Reconnection. 175--0-0.
Charge of meter. 35--0--0.
Costs,recoverable. 72-15--9.
Cost of booklet of condition. 0--8--0
548--11--9, or Rs. 549/-

Weilding. 42--8--0.
Miscellaneous. 9--3--0.
Audit recovery. 9-15--0.
Battery. 50--0--0.
Cost of unserviceable drums. 396--0--0.
507-10-0 or 508/-

		801-3-11.	
4724-9-4.	317-12-0.	[illegible].	5843-9-[illegible]
81-0-9.	1--8-0.	0--9--2.	2-1-[illegible]
	6--4--0.	9-13-10.	97-2-[illegible]
4805-10-1.	325--8-[illegible].	811-10-11.	5942-13-

⊗ as above.

D.y Supt.

Commissioner.

skr/-

Details for Rs.10,460/-

Electricity Duty.	Rs.	9,881	-7-	9
T.A.to Electrical Engineer and Staff.....	,,	61	4	0
Testing fees. ...	,,	19	8	0
Fees for technical sanction of estimates.	,,	36	5	0
Advertisement charges.	,,	116	13	0
Power House Approach Road repairs. ...	,,	128	3	0
Battery charging ...	,,	7	2	3
Agreements. ...	,,	21	12	0
Welding charges. ...	,,	12	2	0
	,,	175	4	0
Total Rs.		10,459	-12-	3

Rs.10,460/-

IV. - NET REVENUE ACCOUNT.

For the year ending 31st March 1941.

	Rs.		Rs.
1. To interest on mortgage debt accrued due to date.	14,803.	1. By balance from last account.	4,588.
2. To instalments of principal or money borrowed.	19,494.	2. " balance from revenue account.	33,100.
3. " amount transferred to sinking fund where such found is authorised.	---	3. " DEFICIT BALANCE.	2,757.
4. " payments to reserve fund where such is authorised.	---		
5. " sum applied to local rate.	----		
6. " income tax paid.	---		
" other items payable (1) Payments relating to previous years.	6,041.		
(2)Refunds relating to previous years.	107.		
Balance carried forward.	----		
Total. Rs.	40,445.	Total. Rs.	40,445.

skr/.-

N Srinivasan
D.C. Supdt.

Commissioner. Delegate

V. SINKING FUND ACCOUNT FOR THE YEAR ENDING 31-3-1941.

------N I L -------

Commissioner. Delegate

VI. RESERVE FUND ACCOUNT FOR THE YEAR ENDING 31-3-~~1934~~ 1941.

---- N i l. -------

Commissioner. Delegate

skr/-

NO. VII. GENERAL BALANCE SHEET.

For the year ending 31-3-1941.

Liabilities.		Assets.	
	Rs.		Rs.
1. To Capital Account. Amount received as per Account No.I.	4,93,153.	1. By Capital Account. Amount expended for works as per Account No.II.	4,37,069.
2. " Sundry creditors.	10,728.	2. By stores on hand.	26,162.
3. " Net Revenue account. Balance at credit thereof.	---	" Loss of articles to be accounted for by the Electrical Engineer and store Keeper.	1,362.
4. " Sinking fund account.	---	3. " sundry debtors for the current supplied to end of the year.	14,897.
5. " Reserve Fund account.	---	4. " Other debtors.	5,576.
6. " Other items (to be specified security deposits from consumers.	13,435.	5. " Securities as held (cost prices.	---
" Loss of articles to be accounted for by the Electrical Engineer and store-keeper.	1,362.	6. Other items (to be specified (security deposits from consumers)	13,435.
		7. " cash with Treasurer.	17,420.
		To deficit from Net Revenue A/c.	2,757.
		8. To cash on hand.	---
Total. Rs.	5,18,678.	Total Rs.	5,18,678.

skr/.12.2.

N Srinivasan
Dy Engr.

Commissioner. 18/1/42

No. VIII. STATEMENT OF ENERGY GENERATED SOLD ETC. FOR THE YEAR ENDING 31st MARCH 1941.

Total energy generated in Kilowatt hours.	Kilowatt hours sold.					Kilowatt hours used on works including M.G. sets.	Kilowatt hours accounted for.	Kilowatt hours not accounted for.	Kilowatt connected for public lamps.	Total consumers connected.	Total kilowatt connected.	Plant installed kilowatts.	Maximum supply demanded in kilowatts.
	Public lamps.	By special contract.	Consumers by meter for lighting purpose.	Consumers by meter for power purposes.	Total.								
5,86,840.	1,21,167.	522	1,88,489	1,56,843	4,46,961	85,548.	5,30,509	56,331.	55.08	823	508.69	188	195.5
							5,17,639	53,9[illegible]	33.76	759	455.95	188	202.4

N Srinivasan.
D.E Engr.

Commissioner. Delegate

skr/-

LF. 5736
11.11.42

Examiner's Office.

Subject:-Audit Report -Electricity accounts -Bellary Municipality 1940-41

A2-731
23/11/42

Forwarded to the Secretary to Government, Public Works (Electricity) Department with copies of the Commissioner's replies and resolution of the Council.

Rs 4+7+ 13+14 ante

Para 5(a) and 12 of the Audit Report:- The Commissioner may be requested to work out the interest due to the consumers according to the conditions of supply for 1940-41 and previous years, and adjust it in the accounts for 1941-42.

Rs 7+13 ante

Para 7(a) of the Audit Report:- Though wood was purchased from Sri. S.M.V.Nadar, the reasons for rejecting the lower rates of Abdul Rowther are not known. In the absence of satisfactory explanation the excess of Rs .126-3-9 would need to be made good by the Electrical Engineer.

-do-

Para 7(b) of the Audit Report:- The transport of machinery from the Power house to Railway station should have been arranged with proper supervision by the cheapes t agency. The action of the Electrical Engineer in rejecting the lowest quotation of Rangaswami Naidu was not correct.

Rs 9+14 ante

Para 14(b) of the Audit Report:- Excess in stock could not be noticed except with reference to the stock accounts. If as contended, the excess was noticed on the 20-3-1941 the delay of a week in recording the discrepancy in the stock books on 27-3-1941 would need to be explained.

-do-.

Para 14(c) of the Audit Report:- As payments are made for stores received, it is necessary that stores received should be checked immediately on receipt and entries in stock account should also be attested in all cases to prove the correctness of the certificate of verification furnished in the bills.

Rangaswami
6-11-42

Assistant Examiner of Local Fund Accounts.

UNDER SECRETARY TO GOVT.
VII
14 NOV 1942
3546
PUBLIC WORKS DEPARTMENT

M2195
21.11.42

End. No. 754 Gj/42-2 dt 17-11-42 P.W. Deptt

Referred to the C.E.I. Gj for remarks in continuation of End. No. 754-1 Gj dt 27-5-42

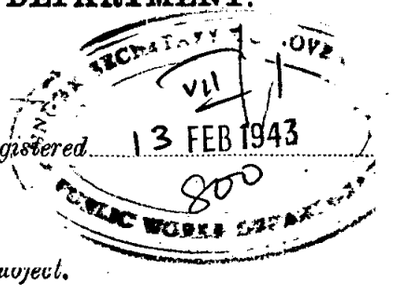
Rao
for Secy to Govt.
16/11/42

To the C.E.I. Gj.

7/12/42

34

Electricity **DEPARTMENT.**



Received ..... 19 . *Registered* 13 FEB 1943

Subject.

Bellary Electric Licence - Accounts for 1940-41.

Ref: Public Works Department Endt. Nos.754-VII/42-1 dated 27.5.42 and 754.G/42-2 dated 17-11-42.

ENCLOSURES.
No. .....
.....
Spare copies .....

No. A 332

Station Madras., *Dated the* 9th February 1943.

From (Name) Sri T.J.Mirchandani,

(Designation) Chief Electrical Inspector to Government.

To The Secretary to the Government of Madras,

Public Works Department.
Ootacamund.

Sir,

With reference to the above, the accounts of the Bellary electrical undertaking for 1940-41 have been scrutinized and the following remarks are submitted.

The accounts under review relate to the 14th year of operation.

The important features of working are as extracted below:-

		1940-41.	1939-40.
1.	Capital expenditure upto the end of the year.	Rs.4,37,069.	Rs.4,23,960.
2.	Gross Profit.	Rs.33,100.	Rs.39,390.
3.	Net profit plus or - from Balance Sheet.	- Rs.2757.	plus Rs.7452.
4.	Total units ~~sold~~ generated.	5,86,840.	5,31,553.
5.	Total units sold.	4,46,961.	4,11,169.
6.	Total No. of consumers.	823.	759.
7.	Maximum Demand.	193.5 K.W.	202.4 K.W.
8.	Revenue from Electric Supply.	Rs.103075.	Rs.97896.

Although the year under review shows increase in Power generation, units sold and number of consumers, the financial position

of the undertaking is not quite satisfactory. With a view to give sufficient relief, to the finances of the electrical undertaking, the licensee has been advised to introduce the standard fuel clause applicable to all tariffs.

No. II. Capital Account:--

The Capital expenditure under the head "To Service connections" for the year under review was Rs.2352-13--7, but a sum of Rs.2011 only has been adjusted for the year concerned. The licensee may be instructed that final bills for all services relating to any year should be adjusted within a reasonable time, say within three months from the date of service.

No.III. Revenue Account:---

As per clause (1) of Part III of the booklet of rates and conditions of the licensee, he is entitled to charge the consumer the actual cost of materials and labour involved for House Service Connections plus 15 %. The centage charges on Service connections as exhibited in the accounts work out to 15.8 %. The Commissioner has reported that the higher percentage is due to the fact that the centage of 15 % levied on the cost of materials by the consumers have also been included in the total figure now exhibited. The matter has been again taken up with the Commissioner in greater detail and may my further remarks on this item, if any, will be submitted to Government separately.

The sum of Rs.9881-7-0 representing 'Electricity Duty' and now exhibited under 'G.Special charges' may be exhibited under "D.Rents, Rates and Taxes."

Audit Report and Municipal Council's Replies thereon:---

Paras 6, 8, 9, 10, 13, 14(a), 14(d), 14(e), 14(f), 15(a), 15(b) and 18:--- The Municipal Council's replies may be accepted.

Paras 5(a), 12, 14(b) and 14(c): I agree with the remarks of the Examiner. The licensee may be instructed to take action in the matter.

Para 7(a). Further explanation should be given by the Municipal Commissioner with reference to the tabular statement referred to.

Para 7(b). I do not endorse the view of the Examiner of Local Fund Accounts. No amount of supervision can compensate lack of experience in transport agency. The machine parts need special precaution in transport.

Para 5(b) and 17. These will be watched in the scrutiny of the Accounts for 1941-42.

Para 11. The execution of written agreements, specifying the terms of hire is desirable, to safeguard the rights and interests of the Municipal Council.

T. J. Macandrew
10-2-43.

Chief Electrical Inspector
to Government.

Encls: one complete set of Accounts.
one copy of Audit report.
one copy of replies to audit report.
one copy of Examiner's further remarks.
one copy of Council's resolution.

TSS/10.

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying ..		
When copied ..	17.2	
When examined..		
When signed ..	17/2	
When despatched.		

SUBJECT:— Elec- Bellary Elec Licensee - Accounts for 1940-41 - Recorded with remarks.

READ AGAIN _____, dated _____ 19____.

" " _____ " _____ 19____.

READ *ALSO*:—

No. 754 Gf/42. From the Examiner of L.F. Accts, No. 1022, dated 21-5- 1942.

" _____ " — do — " 5736 " 11-11- 1942.

" _____ " Chief Elec Inspector to Govt. " A.332 " 9-2-1943.

~~Order Resolution~~ ~~Ms. Rout.~~ No. 5257, dated 17- 2 - 1943.

Recorded.

2. No II Capital Account.

The Capital expenditure under the head "To Service Connections" for the year under review was Rs 2352-13-7, but a sum of Rs 2011 only has been adjusted for the year Concerned. The licensee is informed that final bills for all services relating to any year should be adjusted within a reasonable time, say within three months from the date of service.

3. No III. - Revenue Account.

The sum of Rs 9881-7-0 representing "Electricity Duty" now exhibited under "G. Special Charges" should be shown under "D. Rents, Rates and Taxes".

14 Audit Report & the Municipal Council's replies thereon.

Paras 5(a), 12, 14(b) & 14(c)

The Govt agree with the Examiner L.F.A. The licensee should take necessary action in the matter.

Para 7(a).

The licensee should give further explanation with reference to the tabular statement referred to.

Para 7(b). The C.E.I. Gy does not endorse the view of the ~~Govt agrees with the views of the C.E.I. Gy that~~ Examiner, no amount of supervision could compensate lack of experience in transport agency, ~~& that~~ as the machine parts need special precaution in transport and The Govt are inclined to agree with the C.E.I. Gy

Para 11. The Govt agree with the C.E.I. Gy that in order to safeguard the rights & interests of the Municipal Council, the execution of written agreements specifying the terms of hire is necessary.

Paras 5(b) & 17 These will be watched by the C.E.I. Gy during the scrutiny of the accounts for 1941-42.

15/7/43

15/7/43

The Commissioner, Bellary may thought fit

C.M.C.

Chief Elec Inspector to Govt (2 copies) ✓

Examiner L.F. Accts ✓

C.E for Elec ✓

CS 6/7/43

The drafts conform with the C.E.I. Gy's recommendations.

15/7/43

C.F. 32 (a).

Local administration. Department

From (Name) Sri.A.Raghav Reddy, B.A.

Designation Commissioner
Bellary Municipality

Station Bellary.

Received ..... Registered .....

To The Assistant Secretary to Government
The of Madras
The Local Administration Department
Stone House Hill, Ootacamund.
Thro' Sri.Mullangi Neelappa,
Vice-Chairman, Municipal Council, Bellar

10524
3 APR 1943
10428

Enclosures :

D.Dis No. 1259/43 dated 17-4- 1943..

Sir,

Sub:-Accounts- Bellary Electric Licence 1940-41-

Ref; G.O.No.Ms.5257/dated 17-2-1943. (V)

Para 2 Noted.

Para 3. Noted. In 1941-42 account "Electricity Duty" has been exhibited under "D-Rents, Rates and Taxes, as required.

Para 4.

(P)

Audit Report Para 5 (a):: The interest on consumers' Deposits will be worked out as per instructions given in G.O.No.4666 dated 21-12-42 and allowed in 1943-44 accounts.

Audit Report Para 12, 14(b) and 14 (c):: Necessary action is taken on the points.

V.C.R.M.26.4.p.Exd; 16/4. (True Copy.)

Sd. A. Raghava Reddy
Commissioner.

Commissioner.

1946

forwarded.

Mullapudi Neeloppa

Vice-chairman.

27/41

L.B.D

P.W.D no L.Dis.No 10428-1A 5-5-43

4.5.43 8/5/43

P.W. dept (V)

maybe filed with Govt No 5257 P.W.

dated 17-2-43 after perusal by C.E.D.G.

11/5/43 11/5/43

23 MAY 1943 1946

14-5-43

Perused and returned.

The instructions action taken on G.O. No 1757 dated 17.2.43 will be checked by the Collector at the time of the annual inspection of the accounts of the Municipality during the month of

UNDER SECRETARY TO GOVERNMENT
VII
6 MAY 1943
1757
PUBLIC WORKS DEPARTMENT

P.W. dept
maybe filed with
Govt No 5257 P.W. dated 17-2-43
24/5/43 24/5/43

A/1419
15.5.43
P.W.D. no. 1757 VII/43-1
12/5/43.

14 MAY 1943
MADRAS
MADRAS